

**UNITED STATES BANKRUPTCY COURT  
EASTERN DISTRICT OF PENNSYLVANIA**

IN RE:

CHAPTER 13

RUDY D. ARNOLD

CASE NUMBER: 18-12585-mdc

DEBTOR(S)

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**MOTION TO CONVERT CASE FROM CHAPTER 13 TO CHAPTER 7**

Pursuant to 11 U.S.C. § 1307(a), the above-named Debtor(s) requests that this Court enter an Order converting this case under Chapter 13 to a case under Chapter 7 of the Bankruptcy code (Title 11 of the United States Code), on the grounds set forth below.

1. On April 18, 2018, the above-named Debtor, a retired construction company owner age 73 and a recent widower filed a Voluntary Petition under Chapter 13 of the Bankruptcy Code.
2. Debtor originally filed his Chapter 13 with the good faith belief that his property located at 1833 New London Road, Landenberg, PA 19350 (the "Property") could be sold for substantially more than the mortgage total indebtedness, yielding sufficient net funds to, inter alia, retire the related promissory notes, generating sufficient revenues to fund his Chapter 13 plan as amended. However, this has been proven impossible under current market conditions. His Realtor has reduced the offering price in steps from \$749,000.00 to \$599,000.00 in the attempt to produce a buyer with no success. On July 8, 2019 the listing was removed by Blair Helmick of BHHS Fox & Roach-Concord.
3. The sole offer received upon the Property on or about May 2019 was for \$515,000.00. It has expired without acceptance.
4. Collectively, the principal value of such mortgage notes is approximately \$600,000.000, pursuant to Proofs of Claim filed in this Court.
5. Debtor 's monthly income is only \$2,383.93; he has no reserves and his liquid assets are limited. Debtor is unable to support himself; make the post-petition payments upon the four mortgages secured by the Property; which heretofore has been his primary residence and additionally pay the Chapter 13 Plan Payment.
6. Debtor, a retired construction company owner age 73, intends to sign a lease for an apartment to vacate the Premises and to occupy such address as his permanent residence.

7. M&T Bank, one of the 4 lenders with loans secured by the Property, has filed a Motion for Relief of the Automatic Stay under Section 362 and 1301 on April 9, 2019 was heard on May 21, 2019 [Docket #57] and such relief was granted by this honorable Court on May 22, 2019.
8. Additionally, WFSF which holds a security interest in his sole other parce; of real property, a condominium located at 5422 3D4 Valley Green Drive in Wilmington, DE, has filed for Relief of the Automatic Stay under Section 362 and 1301 on December 28, 2018 and such relief was granted by this honorable Court on January 21, 2019 [Docket 47].
9. The Trustee filed a Motion To Dismiss on October 29, 2018 [Docket # 44] based on prejudicial to creditors and failing to propose an adequately funded plan.
10. Given the factors above, it has become increasingly clear that it is not advantageous for him to continue in the chapter 13 and that in any case, Debtor will be unable to complete his plan.
11. Debtor meets the means test and will qualify to be a Debtor under Chapter 7 of the Bankruptcy Code. He will surrender the Property in the Chapter 7 bankruptcy intending to sign a lease for an apartment located at and to occupy such address as his permanent residence.
12. Debtor therefore intends to surrender the Property but wishes to continue to avail himself of the protections of a Chapter 7 bankruptcy as against the claims of his creditors.
13. This case has not been previously converted and this motion is presented in good faith for the reasons set forth above.

WHEREFORE, Debtor(s) prays for an Order converting this case under Chapter 13 to Chapter 7 of the Bankruptcy Code and for such other just and appropriate relief as this Court may grant.

Date: September 3, 2019



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**ORDER GRANTING MOTION TO CONVERT CHAPTER 13 CASE TO CHAPTER 7**

It is ORDERED that the Debtor's Motion to Convert Chapter 13 Case to Chapter 7 is granted.

By the Court

Date: \_\_\_\_\_, 2019

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Judge, United States Bankruptcy Court